

# CORBETT'S WEEKLY POLITICAL REGISTER.

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## PAPER-MONEY AND COIN.

*Kensington, June 15, 1825.*

THE universality of the interest of this subject, and its very great importance to the public, renders it necessary to keep it almost constantly in discussion before that public. The strife excited in the country by the supposed injury done to the people at large purely for the gain of the landowners; the heartburnings amongst tradesmen and their journeymen, occasioned by the apparently unaccountable rise of prices; the misgivings which constantly haunt the minds of landlords, tenants, and owners of annuities. These, and many other things that might be mentioned, make it a duty in me to turn this matter on every side, to present it to my readers in every light in which I see it; to endeavour, in short, to make them clearly understand what it is that is continually convulsing society, deranging the settlements and

money affairs of even the wisest and most prudent of men, ruining one class to-day and another class to-morrow, and making hundreds of thousands, if not millions of miserable beings, who possess all the means of happiness, were they delivered from this all-pervading curse of paper-money.

In my last Register, I had to notice the confusion into which the affairs of carpenters had been thrown by the rise of prices. Since I wrote that Register, I see that there have been disturbances in Gloucestershire. A riot has taken place amongst the weavers in that county. They have proceeded to certain violences, setting the law at defiance, and the magistrates also. At last, as in all other cases, the grand remedy was resorted to; namely, A DETACHMENT OF SOLDIERS! This is the end of all such affairs; and this reminds me of what I have often thought of, an observation of Mr. JOHN SWANN, of whom I used to buy paper: "It is useless to talk about liberty as long as there

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[ENTERED AT STATIONERS' HALL.]

“are taxes to the amount of fifty  
 “millions a-year. Such a sum  
 “of taxes must have an army to  
 “collect it, or to uphold the state  
 “of things in which the collec-  
 “tion takes place; and there can  
 “be no real liberty in that coun-  
 “try where there exists a regular  
 “standing army.” This is the  
 true state of the case. A system  
 which requires this sum of taxes  
 requires an army. The army is  
 not wanted here, at present, to  
 go round with the tax-gatherer.  
 This is not the way in which it is  
 employed. It generally enforces  
 by the knowledge which we have  
 of its being ready. In the case  
 before us, it comes to uphold that  
 measure of the system called the  
 Small-note Bill. That Bill, by  
 increasing the quantity of money,  
 has raised prices enormously.  
 This rise of prices has made the  
 wages of the labourers in Glou-  
 cestershire inadequate to their  
 support. Yet the Small-note Bill  
 is necessary *to enable the land-*  
*owners to pay their taxes.* But,  
 the master-weavers, who get no-  
 thing by the Small-note Bill, will  
 not raise the wages of the weavers.  
 Yet the wages of the weavers  
 ought to be raised: they feel that  
 they are wronged; hunger presses  
 them; they turn out for higher  
 wages; some of them, tamer, or

less pressed by hunger than the  
 rest, continue to work for low  
 wages. On these the main body  
 commit violences: here is a breach  
 of the peace: soon there is a riot;  
 the power of the magistrate and  
 his peace officers is insufficient to  
 quell the rioters; and, then come  
 out *the trumps*: then come the  
 soldiers; then we see the ultimate  
 tendency of a system of dreadful  
 taxation.

Very foolish, then; very empty  
 headed, or most surprisingly base  
 are those who pretend to dislike a  
 standing army; who make mo-  
 tions to reduce the standing army,  
 who utter one single word against  
 the standing army, and, at the  
 same time, call upon the Minis-  
 ters to pay in full tale, the inter-  
 est of that which is called the  
 Public Debt. For my part, I look  
 upon these pretended lovers of the  
 Constitution, as they call it, as  
 the greatest fools or the greatest  
 knaves upon the face of the earth.  
 A great Debt and a great stand-  
 ing army are absolutely necessary  
 to each other. They arose to-  
 gether in England, and in Eng-  
 land they must stand or fall toge-  
 ther. England never knew a  
 standing army till it had a Debt.  
 It is not foreign wars; it is not  
 the German connexion; it is not  
 any thing but the Debt that has

made the standing army. The Debt was created first; the army grew out of it; and, precisely in proportion to the increase of the former has been the increase of the latter. We have just seen an instance of the real utility of this army; and, therefore, let us hope that we shall never again hear any flaming orator applauded for his dislike of the army, unless he, at the same time, express his abhorrence at the Debt, and of all those who have had any hand in the creating and the supporting of it.

Before I go further, I shall insert a letter, which I find in ANNA BRODIE'S newspaper of the 14th of June. It is curious enough, that, at last, this *Old Times* should be the only newspaper in London that has the sense and the spirit to publish one single word of truth upon this subject. For many years, that paper as well as the rest, reviled me for my doctrines relative to the paper-money. Now, it is putting forth those doctrines itself; and asserting, as boldly as I ever asserted, that the present system cannot go on for any length of time; that all the mischief arises from the issue of bank notes; that this mischief is now augmenting every day; and that, at no distant day,

some measure or other must be adopted again to uphold bank notes by force of law, and to extinguish for ever all hope of a return to a currency of real money without some terrible convulsion in the pecuniary affairs of men and of the Government.

I shall now insert the letter, begging my readers to go through it with great attention, it being well worthy of all the attention that they can bestow upon it. When I have inserted it, I shall add some remarks of my own.

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#### BANK OF ENGLAND.

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*To the Editor of the Times.*

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'El Herrero y su dinero, todo est negro.'  
*Spanish Proverb.*

SIR,

IF we except those who gain by our present fraudulent delusive system of currency, it is, I believe, pretty generally admitted that the excessive circulation of the Bank of England is highly injurious to the public; and therefore the only question to determine is, in what way this circulation can be reduced.

The concerns of the Bank are so intimately blended with the operations of the Government, (and this to the disgrace of both), that the Bank has not the control of its own affairs. Very few (perhaps not to the extent of 1,000,000*l.*) of the



Bank-notes, either in existence or in circulation, are founded on transactions between the Bank and the public, but on Government securities—that is, on the annuity purchased of the Government for defraying of the naval and military pensions, on advances for the payment of the dissentients in the reduction of the 4 per cents., and on the usual and ordinary advances to the Government on Exchequer Bills. And here we must always bear in mind, that the advances of the Bank on the score of the naval and military pension scheme already amount to 5,787,199*l.*—that they will in July amount to 6,917,569*l.*—that they are progressively increasing—that they will reach their climax in the year 1828—and that they will then amount to 13,039,419*l.*

We get no information from the Bank, and we get no information from the Government, and therefore we cannot speak in the last degree of accuracy; but, as arising from the different transactions which I have enumerated, I have not the least doubt that the actual amount of the Bank advances to Government is at least 18,000,000*l.*—a most enormous sum, particularly when we come to reflect that Mr. Pitt, merely by borrowing 10,000,000*l.* from the Bank, caused it to stop payment; and this, too, at a period when the quantity of gold in the country was three, and perhaps four, times greater than at present.

This being the state of things, we may at once perceive that the nature and foundation of our present currency is precisely the same as during the war; that is, it is a Government paper-money, but with this difference—that the Bank now pays in gold; and of this some people think a great deal, but of which I think but little, and all I say is, that it is mighty well as long as it lasts; but unless we change our measures, *it cannot last long.* The amount of gold in the coffers of the Bank cannot, I think, exceed 5,000,000*l.* and it probably falls much short of this sum; and therefore, if the excess in the Bank circulation be equal to or greater than the whole amount of the gold in its coffers, *a suspension of cash payments is more than probable;* and if, while the Bank circulation is in excess, the circulation of the country bankers should also be in excess, this *suspension, sooner or later, is inevitable*—I mean, without a reduction of the Bank issues; and it is of this reduction we have now to speak; and in my view of the case a reduction of the Bank circulation can only be accomplished in some or all of the following modes:—

1. By a public loan, and therefore to pay the Bank.

2. By the sale of Exchequer-bills for the same purpose.

3. By applying the whole of the Sinking Fund in discharge of the debt due to the Bank.



4. By a sale, either in whole or in part, of the annuity purchased by the Bank of the Government.

But of all these methods the most simple and effectual is for the Government to raise money by loan, and at once to pay off the whole of the floating debt due to the Bank, and to get rid of the connexion.

And if it should be objected that this will occasion a decline in the public funds, then I answer—

1. That this in itself, and in every public point of view, is of no importance.

2. That, from a decline in the public funds, not proceeding from political causes, we must infer a rise in the rate of interest; and as the rate of interest is governed by the rate of profit on the employment of capital, and that an increasing rate of profit is highly favourable to the acquisition and accumulation of capital; so does it argue a much sounder state of things that the rate of interest should be gradually advancing, than that it should gradually recede. But this is the error which constantly runs through our whole system of finance. We say that it is desirable that money should be cheap, and then, not satisfied with leaving things to the slow progressive action of natural causes, we endeavour to bring about this cheapness by artificial means, and so we work mischief. And then, so erroneous is our doctrine, that in every truly sound flourishing state of things

money is not cheap, but dear; and this in a double sense—dear when borrowed, and so that much shall be given for the hire of it; and dear again when the comparison is direct between money and commodities. And this is no speculation, but plain simple fact, to which all history bears witness.

3. That at all events it is much better that the *public funds should decline at once*, than that the *Bank should stop payment*, as in that case the decline would be much more considerable; for what man in his senses would invest money in securities, the dividends of which should be payable in a *rotten paper-money*, progressively declining in value, and which eventually, perhaps, would not be 15s. in the pound?

The great thing to be apprehended in raising money by loan, and that which would more particularly interfere with our system of finance, is a decline in Exchequer-bills; and the way to obviate this is to fund a portion of them; and if this should not be effectual, then to exchange the whole of them for bills bearing a higher rate of interest; and to do this will be wisdom in any case. It is impossible to control the tide of events, it is madness even to attempt it; and, do what we will, Exchequer-bills, bearing the present low rate of interest, will in all probability be at a discount in less than a twelvemonth, unless, indeed, the Bank, instead of reducing, should gradually increase

its issues of paper. *But then a suspension of cash payments is inevitable;* and then good night at once to Exchequer-bills and Consols, and every other description of Government security.

This is my view of the case; and I say, that unless a reduction be made in the circulation of the Bank to the extent of at least six millions, there is *neither health nor safety in the currency.*

See, now, how things are perverted from their original purposes; the avowed object in the institution of the Bank was, that a facility should be afforded to the merchants of London by the discounting of their acceptances; but now the Bank is become a mere instrument in the hands of the Government, and not one twentieth part of its notes is founded on transactions with the public—that is, on bills discounted for the merchants.

Consider, again, how we have degenerated from the plain straightforward common sense of our ancestors. In the good old times of the Bank, whenever the Government wanted to borrow of the Bank, the Directors applied to the Bank Proprietors for an increase of capital, and then the whole transaction was in the nature of a public loan, and the currency was not disturbed; but no increase of capital is called for now; the Bank Proprietors are never consulted; and millions upon millions are advanced to Govern-

ment without the least regard to consequences.

And not only is this state of things to be continued, but it would appear that every possible extension is to be given to the system, and that Ireland is also to be furnished with a regular banking apparatus: that is, I understand the matter to be this—A banker's shop is to be opened in *every village in Ireland for the circulation and distribution of notes;* and as advances (in paper) are to be made on every species and description of property, it is not difficult to foresee how all this will end. Alas! alas! that at this time of day there should men be found who fondly believe that *every increase of paper is an increase of capital,* and that to multiply paper is to multiply resources.

DANIEL HARDCASTLE.

I am particularly pleased with the last sentence of the last paragraph of this very able article. How often have I had to show, that an increase of paper was not an increase of capital; how often to show, that to multiply paper is not to multiply resources? I remember when Mr. MABERLY said that we had, since the beginning of the last war, *added six hundred millions to our capital,* how I laboured to convince him that paper-money never did, and never could, create any thing but

mischief; and, though prolific in that, it never could produce any one thing upon this earth of real value.

But, now, as to this article in general, the writer is perfectly correct as to the cause of the present state of things; as to the cause of the fall of the funds; as to the means also of preventing the necessity of a Bank restriction; and, moreover, as to the consequences of another stoppage or restriction. But he seems wholly to have overlooked one very material thing; namely, the ruin, the utter ruin, that would arise to the landlords, the farmers, and to many other classes, if his means of preventing the necessity of a stoppage were adopted. His main object is to show the necessity of using means to prevent the Bank being again restrained, as it was humerously called. All he is anxious about is, to point out these means of prevention. He wishes the Bank not to stop again; and he, with great clearness, with perfect truth, points out the proper means to prevent that stoppage. These means are, drawings in of the paper-money. He names several subsidiary measures; but his great means are, measures to compel the Bank to *lessen greatly the amount of its issues of paper-money.*

It is surprising that such a writer should have already forgotten the year 1822. It is surprising that he should not recollect that wheat was then at 4s. 6d. a bushel, and, in some places, at 4s. a bushel. It is surprising that he should not recollect, that the Small-note Bill, and that new and large issues of paper-money were resolved on for the express purpose of raising the price of things, and thereby enabling the landlords to pay their taxes and save their estates. It is surprising that such a writer should not see, or, seeing, should not observe, that, to reduce the quantity of paper-money, would bring ruin again upon the landlords and farmers and divers other classes. Is he willing to see wheat sell again at 4s. 6d. a bushel? Is he willing to see a South-Down ewe sold for 16s. and a lamb for 10s.? If he be, he should say so. I should be with him in that also; but I shall not be with him in that, *unless he agree with me to take a great deal more than one half from the interest of the Debt and the pay of the "Dead-Weight"!*

It is not an affair of the Bank: it is an affair of the landlords. If he be willing to see wheat again at 4s. a bushel, I can assure him;



that the landlords are not. They were pinched too hard in 1822, to suffer them for one moment to think of such pinching again. They will agree to a drawing in of the paper-money, if the Jews and the "*Dead-Weight*" will agree to take off two-thirds of their present demands; but, unless they do this, never will the landlords suffer wheat to come again to 4s. a bushel; and, observe, they have the thing in their own hands. *They make the laws.* The Jews have not yet got the lawmaking into their hands. The landowners have the power; and their recent conduct convinces me that they are resolved to make use of it if necessary. Mr. GOOCH, who seems to be their leader, gave out the *stave*, and the whole country, from one end to the other, sang the psalm. Such a pretty collection of Petitions was never before seen on the tables of the big House. These Petitions told the big House, that the Petitioners were quite willing to sell corn as cheap as anybody in the world, if the big House would only suffer them to pay *no tithes*, and as *light taxes* as the people of France and other countries adjoining. "We want no Corn Bill," said they: "we want no high prices: we are willing

"to sell corn as cheap as the French farmers sell it; but let us pay, then, no tithes, and let us pay no more taxes than the French farmers pay." My old friend, GAFFER GOOCH, expressed the whole of their Petitions in one short sentence: "Let JOHN BULL *start fair*, and he'll beat all the world; but do not want to make him carry *sixteen stone*, while *his opponent is loaded with a feather.*"

This is the language of those who make the laws. They tell the Minister to make their wheat sell for 10s. a bushel, or thereabouts, or to make their taxes as light as the taxes in France. They do not care *how* he makes their wheat 10s. a bushel. They care not a pin about the means he makes use of for this purpose. He may buy up the corn if he likes, and fling it into the sea; or hire men to dig holes to bury it. He may put it in great piles and burn it. Whether he proceed by earth, water, or fire, they care not a straw; but have the wheat at ten shillings a bushel they will, or, they will repeal the malt tax; that will of itself repeal the beer tax, and the spirit tax and the tea tax, and the coffee tax, and a very large part of the sugar tax; and then,

the Ministers, the fundholders, the "*dead-weight*" people, the pensioners and sinecurists, men, women and children, and the excise men, and the tide-waiters, and the preventive-service men, may all get together and count the trees for a dinner.

Daylight is not clearer than this, even to-day, which is one of the clearest and finest that I ever saw in England, and that makes me not look back with a sigh, to my house in Long Island, the walls of which were made of Morning Chronicles and Couriers. Daylight is not clearer than this. The landlords want no information upon the subject. They do not care, as I have just said, in *what way* the Minister makes wheat to be 10s. a bushel; but 10s. a bushel they will have for it, or they will take from him all his means which he now possesses of taking from them their estates. They would, if they had the honesty to speak out, prefer an "*equitable adjustment*": but, when I consider the bullockings of the London newspapers, the dismal outcry of the various classes of tax-eaters; and their obstinate, and brutal silliness in preferring a thing called a pound, which will buy them only about a third part of as much bread as a

real pound would buy them; when I consider that the mass of mankind seem to like to be deluded and cheated by this paper system, I cannot say that I much blame the landlords for letting their estates be saved by the means of paper-money, instead of the means of an equitable adjustment. If an equitable adjustment had taken place, they would have had to pay the fundholder, and the pensioner, and the placeman and the "*dead-weight*" man, about 4s. where they now pay them 10s. But this set the bullocking newspapers agoing. Here was breach of *national faith* and *national honour*! Out, therefore, the paper was put. In this paper, they keep faith, keep the national honour unstained, by giving the Jew four gallons of wheat where they gave him ten in 1822, when the Small-note Bill was passed. This was the way they kept the *national faith* unbroken, the *national honour* unstained! Some of the most stupid and most malignant of the muddy-headed beasts, got into *barns* and into *holes and corners*, and then protested most manfully against all attempts to break the national faith by "*equitable adjustment*"; but, the very same identical beasts and vile calumniators of that ad-

justment, were amongst the loudest to applaud the measure for putting out paper-money, by which the breach of national faith, as they had the meanness and hypocrisy to call it, was as completely effected, as it could possibly have been effected by the equitable adjustment. There being, however, this great difference in the two measures; that *equitable adjustments* would have been an open reduction of the interest of the Debt and of all interest and of all pay and salaries of every description; and would have restored a money of real and settled value to the country, and have rendered men secure in their property: while this paper remedy is, at last, no adjustment at all: it is secret; it effects by stealth, that which the other would have effected openly, in the first instance; and it inundates the country with a currency ever fluctuating in its value; exposes innumerable persons to ruin from want of a knowledge of what is to take place; menaces the Government with a convulsion, from day to day; and endangers the whole state by producing an utter incapacity to go to war, a just cause for which has once arisen already since the passing of the Small-

note Bill, and another cause for which may arise on any day.

Nevertheless, there were other reasons, besides those already mentioned; besides the bullocking of the newspapers, and the outcry about national faith. There were other reasons why the landowners preferred the paper-money to equitable adjustment. They are not only landowners; but, by their relations and dependants, they are large tax and tithe-eaters. Now, though what they receive in this way is little compared with what they receive in rents, they like very well to have a lien upon the taxes and tithes. They would gladly have dear corn and light taxes: that is too much for men to be blessed with. The next best thing, is, dear corn and high taxes. The next best, cheap corn and low taxes. But, cheap corn and high taxes is a devil that they will never face again.

They could not openly call for a reduction of the interest of the Debt without taking the pay and the pensions from their families; nor could they do it without bringing the tithes to the hammer! Frightful objects to look at! Never will the country consent to the taking away of a large part of the dividends, and a large part of



the soldiers pensions, without, at the same time, taking from the church, taking from that great mass of public property, a large part, and a *very* large part indeed; and property having been applied by law, by law can be otherwise applied.

This was the true reason why the *barn orators*, and hole and corner orators, were so frightened at the idea of *equitable adjustment*; for there could have been no equity in taking away a part of the interest of a widow who has her money in the funds, while the son of the landlord, upon the "dead-weight" list, his mother or sister upon the pension list, and others of his relations upon the place and sinecure lists, continued to receive their full pay.

Therefore, they sneaked into barns and holes and corners; therefore the base and malignant brutes bawled out for *national faith*, declaimed against the honest proposition for equitable adjustment; and, therefore, they received with delight that paper-money which enabled them to save their estates by giving the fundholder four bushels of wheat instead of ten. But, this was a desperate scheme, after all: it only went smoothly for the moment. It now begins to joggle

and to rock again. The putting out of the paper has caused a general disturbance in the affairs of men, has led to enormous gambings called speculations, has set men and masters together by the ears, has set the consumers in hostility against the producers of food, is sending the gold fast out of the country, has tumbled down the funds and defeated the project of gradual reduction of Debt; and, as the writer in the *Old Times* now observes, and as I observed before, will produce another restriction; and then, as he says, and as I say, good bye to *national faith*.

This writer observes on the *extension* which it appears to be intended to give to the paper; and he particularly notices *the new banking shops in Ireland*. The newspapers told us the other day of a run upon SHAW'S bank in Dublin. They told us that the bank paid at the rate of a *thousand pounds a minute*. They told us a good deal about the run but, one thing they took care not to tell us; namely, what SHAW'S bank *paid in*; whether it paid in *gold*, or exchanged paper for paper! This was what we wanted to know; and this Mr. BROUGHAM'S "best public instructor" took special good care not to tell us. A

thousand pounds a minute it could not pay, *in gold*. There was not time to count the money; and it must have issued in one day, *four hundred and eighty thousand sovereigns*. It paid, therefore, in paper, to be sure; and, put it to its purpose, the Small-note Bill repealing part of PEEL'S BILL, allows the Bank of Ireland, and the Bank of England, too, along with all the country shops, *to pay in one-pound notes!*

The calculations of this writer in the *Times* reduces the quantity of gold in the Bank *to only five millions*. I cannot pretend to say whether this be correct; but my firm conviction is, that the sooner those who wish to have gold apply for it, the more clearly their prudence will appear. I have frequently said that it is not now a payment in gold. The *law*, indeed, does not absolutely and directly protect the banks against the demand of the holders of their notes; but then who dares, in the country, go to ask for gold? My opinion is, that, if common people were to demand it, they would meet with a direct refusal; and, besides this, very few of them know that they have a right to demand it. But, suppose me to hold a ten pound note of a country banker's, and suppose him to re-

fuse to give me gold for it; how am I to get the money? *By action of debt!* By bringing an action against the banker: by employing an attorney and a barrister, and by waiting nine months, or perhaps more, before I can get my money. And, besides this, I must have a witness to prove the refusal.

And this they call a currency, do they! This they call "*paying in gold*." However, even this cannot go on long in its present way. There must be a reduction of the quantity of paper. There must be cheap corn; or, the banks must again be protected against the demands of their creditors. In the meanwhile, all is confusion in the pecuniary affairs of men. All is as uncertain as the winds. That farmer has a stack of wheat, now worth 500*l*. A law passed to-morrow may make it worth a 1,000*l*., while the drawing in of the bank paper may make it worth 250*l*. Who can buy; who can make contract for time, who can send goods a can order importations, who can let or take a farm or a house, who can purchase stock in trade to be paid for by instalments, who can have running accounts of any length, what master can take a servant, or servant hire himself to a master

for a year; who can perform any of these acts without risk of a great serious injury, who can make a marriage settlement, who can make a will, who can do any one act relating to money or to property of any sort, without exposing himself to a greater or less degree of injury, in consequence of the existence of this infernal system of paper-money. I should here conclude for the present; but, I am about to subjoin a small Treatise, written and published at Philadelphia, only a few months ago, which, highly meritorious in itself, and well worthy of the perusal of my readers on that account, is still more worthy of their attention on account of the view which it will give them of the situation of the United States as to this same system of paper-money, and the view which it will also give them of the evils which it has produced in that country, which invariably keeps pace with this country, invariably marches close at its heels, in all its fooleries about schools, about theories of the winds, about surplus-population, about negro-loving hypocrisy, about Bibles, about *Tracts*, and all the rest; and which seems anxious that we should never get a step before it in the works of gambling and paper-money. It is now

about four months since an outcry was set up about "*scarcity of money*," and about *joint-stock companies*. And only yesterday, our newspapers told us this: "Persons have been received from New York of the 20th ultimo, which state that a great scarcity of money prevails, in consequence of the variety of *new schemes and companies brought forward there*."

The same effect proceeds from the same cause. The different states of the Union seem to have been rivalling each other in the chartering of banks, which could not at this moment pay in real money a shilling in the pound. Many of their notes are at an open discount, and *pass at a discount*; and thus it will be here, unless some effectual measure be adopted to prevent it. Nothing but *equitable adjustment*, and *Peel's Bill revived*, can possibly save us from a convulsion of one sort or another, let PETER MACCULLOCH swear to the contrary till he is black in the face.

The mention of PETER calls upon me to observe that the author of the following Treatise is a *Scotchman*. I do not know that I am at liberty to mention his name, though he sent me a letter accompanying his pamphlet. He



is a man as worthy as he is able, and makes up, in a great measure, for those curses which Scotland has poured forth upon the world under the name of philosophers and historians. He is a rich man, and a real friend of freedom and of justice; greatly respected and beloved; and his *Treatise* is the effect of no vanity, no desire to shine as an author, but merely a desire to check that evil which he clearly foresees must be the ruin of his adopted country.

WM. COBBETT.

*On Paper-Money; its influence on National Prosperity, and the Happiness of the People.*

Printed at Philadelphia, 1825.

#### PREFACE.

THE following observations on paper-money, and its effects upon society, are respectfully submitted to the consideration of my fellow citizens, but more especially to those who have been chosen to discharge the important duties of making laws and watching over the public happiness. If the doctrine here maintained is wrong, there can be no danger of the error producing mischief, whilst there exists such general and deep-rooted partialities in favour of paper-money.

The motive for presenting these observations to public attention is to benefit society. If the arguments against paper-money are correct, it must of course be wrong to charter any more banks, or to do any other thing that would extend or perpetuate such a system. Unfortunately there is ample evidence of frequent misfortunes amongst our commercial brethren; even those who are industrious, frugal, and prudent, do not escape the mischief and ruin; this must have a cause; there must be something wrong; the following paper considers that one of the principal causes is the substituting a paper currency for gold and silver.

Individual interest would be affected by leaving off the artificial and local paper currency, and returning to the natural and universal one of gold and silver. Yet any loss or inconvenience that might be suffered from this cause would be amply compensated in the general prosperity; for at this moment those now alluded to, in common with their fellow citizens, find it extremely difficult to establish a few sons in business to their satisfaction; and of all the anxieties that rest on the heart of a parent, that of seeing his children well provided for, is naturally amongst

the heaviest ; to diminish this load must be a desirable object with all, and in reality would be equivalent to each family receiving a fortune.

Those who investigate the doctrines here advocated, are most respectfully requested to judge these doctrines by their own merits, without regard to the writer. The principles are right, or they are wrong, independent of who or what the author is.

The objections here stated against the paper system are not dictated in resentment to banks, for the author is not a disappointed borrower ; and he is acquainted with bank officers, directors, and stockholders, who, for intelligence, integrity and worth, are men any country, any society, may be proud to rank amongst its members. One circumstance it is proper should be known, and that is, the author is not uninterested in the issue, for he is

A BANK STOCKHOLDER.

*Philadelphia, Jan. 19, 1825.*

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#### ON PAPER-MONEY, &c.

A PORTION of the citizens of the district of Southwark, and of the townships of Moyamensing and Passyunk, have again applied to the Legislature of Pennsylvania

for an act of incorporation, to authorize them to make and issue paper-money, and carry on the business called Banking. The application to the Legislature for the sanction of the state's authority, has made the propriety of granting the request to establish another bank a public question ; and challenges an inquiry into the merits of this case, to get a proper view of which, it will be necessary to review the policy and consequences of that result to society, from the practice of employing a paper, in place of a gold and silver currency.

The friends of the proposed bank must be sensible that they are applying for the creation of an establishment not of a local character, but one that will extend its influence to the whole state. It is therefore incumbent on them to satisfy the public, with just reasons, that it is to benefit society at large. The making of a bank involves the interest of the whole people, whether they reside in Southwark or in another part of the state, and it interferes with a very important department of the national sovereignty, viz. regulating the public currency. And we may here remark, that upon the wise and honourable administration of this part of the

public business, very much of the people's happiness and national prosperity depends.

Money is a contrivance, by which the operations of society and the business-intercourse of men are greatly facilitated; it has a vast influence, not only on individual happiness, but national prosperity. We are in the constant habit of using it, and regulating our transactions by it, yet its operations upon society and its influence upon personal prosperity, are so little understood, that its nature, power, and applicability have been deemed worthy the investigation of the most respectable writers on political economy.

Coin, or currency, is one of those things that do not exist in an uncivilized state, it is the offspring of society; and the history of past ages informs us that the ancient, as well as modern governments, considered it of the greatest importance to society; and held its regulation and superintendence amongst the sovereign prerogatives.

It is of great importance to society and the good effects of money, that no individual or body of men, should be able greatly to increase the quantity of money, or suddenly to alter its value.

For money being the standard to which all business transactions are referred, it is necessary that its alterations should be seldom, and its change of value uniform and slow, that every one may be able to regulate his transactions to the standard.

By the common consent of civilized nations, gold and silver are the money of the world, and whilst a nation adheres to these metals as the material of its money, it will be impossible that the quantity or value of it should suddenly experience any extraordinary increase or diminution, for nature has distributed gold and silver in small accessible quantities, and the labour of getting them from the earth and separating them from their mineral combinations is so great, that the producers of gold and silver do not on an average earn or acquire much more than those who cultivate the soil, or work at the ordinary occupations of life. Providence, as if still more disposed to preserve such a currency in a state of equilibrium, has given to money in commerce a disposition to flow, like water, always to the lowest place, and preserve the level. Currency of gold and silver is so regulated and fenced in, as violation of its purposes is not



permitted with impunity; accordingly, in all cases in which governments have unfairly interfered, or altered the value of the currency, the consequences have been disastrous in proportion to the extent of the alteration.

The effects of the creation of paper-money have been less violent, but they have been equally injurious to the general happiness of society. Paper has been most insidious in its operation; it has been fascinating, and we might say intoxicating; for by increasing the quantity of money that comes into the hands of the industrious portion of society, they were led to believe themselves growing richer, when in reality it is the reverse; for after the paper system gets fully into operation, the increased sum of money that the industrious man receives does not enable him to provide as well, and live so comfortably with his family, as under the gold and silver currency; when the sum of money received was considerably less, it went further, it purchased more of the necessaries and comforts of life. A rise in the price of every thing is one of the consequences that follow the introduction of paper-money, and business becomes more precarious.

Look at the United States, and Great Britain; is it natural that such industrious and intelligent people as inhabit these countries, should proceed in the constant hazard of bankruptcy; yet this disaster overtakes vast numbers of the people in business, and the numbers that become paupers, who must be maintained in the almshouse, or are assisted from private charities, is astonishingly great. It is probable that since the paper system has been fairly in operation, that fifty per cent. of the commercial people of these two countries have passed through the ordeal of bankruptcy, or died insolvent, leaving their families to suffer all that results from poverty. The alarming increase of pauperism is a source of uneasiness to both countries, and all this at a period when there was good reason for calculating upon contrary effects. The improvement in science and the arts has greatly increased the amount of the necessaries of life, and improved its comforts, and ought to have been accompanied with an increase of the wealth and comfort of all ranks in society; and in the face of these things the prevalence of bankruptcy and the increase of pauperism are now characteristics of the United States and Great Britain.

It is only at the introduction of the paper system trade flourishes, and money is plenty; the excitement is followed by depressure; dull trade, and scarcity of money, is the complaint of the business-portion of the community; and what is called the money interest are also distressed for want of means to employ their money; all these contrarieties are the consequence of an artificial currency. It has often happened that a remedy for the dull trade and distressing times has been sought in making more banks and issuing more paper-money, but this cannot cure the disease. Trade does not depend upon banks; it is banks that depends on trade; and in most cases when trade experiences a sudden shock, banks are alarmed for the state of their debtors, and actuated by the principle of self-preservation, call in their loans and increase the distress; banks are liberal only during commercial prosperity; the nature of their existence prescribes this course, an opposite one would terminate in their ruin, without any benefit to society.

The business of Exchange, is a branch of banking; but it is a private trade, depending on the character of those who carry it

on, and the confidence those who are remitting or drawing money have in the banker: as it does not interfere with the public currency, it is foreign to the subject we have under consideration, and requires no Legislative authority to carry it on.

It has been said that the prodigious advances in wealth of the United States, is coeval with the banking system, and from this the friends of banking infer that the banks produced this prosperity, but this is not the case. The rapid advancement of the United States, from 1790 to 1810, was the result of our neutral position during a war that involved all the states of Europe, and to such an extent that both their agricultural and commercial industry was interrupted; this created an extraordinary extension of ours, and the trade growing out of it sustained a great many banks, for it was the trade that supported the banks, and not the banks that made this trade. It is true, the existence of these banks made foreigners pay to us for what they bought, more than otherwise would have been paid; and they have been the cause of our losing that trade sooner than we would have done, had they not existed, for our high prices sent our customers to other

markets immediately when the causes ceased that gave us the monopoly. We have not merely to lament the loss of the new business, but many valuable markets of our staples that existed before the banking system are now gone.

For instance, formerly Newfoundland, Portugal, and states on the Mediterranean sea, were great markets for our bread stuffs; now they take nearly none; our prices are too high to enter into competition with the Europeans; and even in the new market that has been open for some time past in South America, we cannot, without loss to our shipping merchants, meet our European rivals in the article of flour. Above forty years ago the United States exported more wheat and flour than they do now; in fact the banks threw upon the foreign trade, which resulted from the French revolution and its consequent wars, and they have driven off much of our natural business. The banking system bewildered our farmers and men of business; by getting paper into their hands, they thought they had got rich; but farmers and tradesmen should recollect that their happiness does not depend upon the amount of money which they count, but upon the quantity

of the necessities and comforts of life that their profits will procure for themselves and their families. They should also recollect that it is more favourable to the happiness of an industrious people, that wages and produce should be at a low money price, but the money should command abundance of the necessities and comforts of life. During such a state of things every one would be certain of employment, and more likely to have customers, foreign and domestic, than when the articles of our produce and industry come into market at a high money price.

The paper system is now producing upon cotton growers the same effects which it has upon those who raise grain; if that system had not been introduced, the price of land, and negro labour, would have been so low in the cotton states, that the planters would at this time be living in most comfortable circumstances with the present comparatively reduced price of cotton; they would have been able to bring it to market at so low a price, that we should have had no cause to be alarmed at what can be done in Egypt or any other country; but as matters now stand, the cotton trade is fast approaching the fate of the grain trade, and it must de-



pend for the principal market on home consumption.

As money is one of those things which have not an existence in an uncivilized state, but is the creature of society, no individual is deprived of any of his rights, when the government assumes the exclusive control over the currency: none can claim to make money as a right; and it cannot be the interest of a community to delegate this power to a few of its members.

The creation of a paper currency is one of those resources a nation resorts to in times of necessity; it is a species of taxation; but the United States government parted with this resource when they chartered banks and granted them the privilege of circulating paper-money. The general government could not avail itself of this resource; during the war of 1812, 13, and 14, they issued treasury notes it is true, but these passed at a discount of 20 and 25 per cent. Another resort was borrowing, and that was done at a loss of 22 per cent. One hundred dollars in 6 per cent. stock was given for eighty-two dollars paid, not in gold or silver, but in the very notes of the banks that the federal and state governments had created, so that but for the existence of this banking system,

the late war would not have cost the nation as much as it did by fifty per cent.

In fact, all that is expended in carrying on the business of a bank, all that is divided amongst the stockholders, is a tax on industry; and it would be better for the people that, instead of incorporating a bank company, the legislature should grant from the public treasury pensions to the president, cashier, and other officers, equal to the salaries they would have received had the bank gone into operation, and also pay to the stockholders sums equal to their dividends. The preamble and sections of such a law might have a strange appearance on the statute book, nevertheless the people would be gainers by it. In the absence of the legerdemain of banking there would not be one commercial failure where there are now ten; forgeries would be rare; our jails and poor-houses would be nearly empty; our judges, instead of being unable to get through the mass of litigation now before them, would be able to do all their business well, and promptly. The time saved as jurors, witnesses, &c. by our citizens, would, in all probability, exceed the whole sum paid in taxes through the United States.

The consequences that resulted to Pennsylvania from the bank law of 1814, against which the virtuous Snyder raised his voice, were more injurious than could have followed the hostile attack of an enemy's army twenty thousand strong, commencing their career of destruction in the heart of our state. Such an enemy would have been destroyed before they could have ruined so many men and their families as that bank law did; some men would have been killed and some of our houses destroyed, but this bank law lost to the unfortunate sufferers their houses, farms, and all, and the grief and vexation attendant on these things brought the head of many a tender-hearted parent prematurely to the grave; and we have not yet come to the end of the evil, for many a house, farm, and home, have yet to be sold in consequence of the bank law of 1814.

Unwise as has been the course of Pennsylvania or any other state, that of Congress has been much more reprehensible. In legislating for the district of Columbia, the Union had, comparatively speaking, but little interest; it was of no consequence what streets were paved or lots fenced in, or whether a hundred thousand dollars more or less, should be expended on the capitol, president's house, or the navy yard; these were local matters, at least they were hardly national. But the case was very different when Congress granted charters, authorizing companies to issue paper-money, and trade on one of the sovereign prerogatives. Money currency is not of a local character; its influence pervades so-

ciety. It would be difficult to assign a satisfactory reason for chartering twelve or thirteen banks in the district of Columbia, at a time when its whole population was so small, that there was one bank to each 1500 persons, young and old, in the district; the consequence has been, that money in the district of Columbia has been very low. Had the effects of banking been duly considered by Congress, it is presumable that banking would not have been tolerated in the district. The establishment of banks there, has produced unjust effects on the Union; it has caused the cost of public works at Washington to amount to an incredible sum of money; and has made the dollars raised at New York, Boston, or Pittsburg, worth only half dollars in Washington. The bank debts in the district of Columbia a few years ago exceeded seven millions of dollars, whilst the whole taxable valuation of the district was little more than eleven millions; it is impossible that public prosperity or private happiness can exist under such a state of things. The enormous sums expended on the public buildings and works, the money laid out by Congress and by strangers, all are not sufficient to counteract the deleterious effects of the paper system; its evils will only disappear with the cause. It was not expected at the commencement of this article that a petition from a small portion of the citizens of the district of Southwark would lead to such particular observations respecting the district of Columbia; but the latter district has cost the Union much, and we may be permitted to benefit by her example; banks



will produce bank effects every where.

The bank wanted by people in the district of Southwark in the county of Philadelphia, is not an institution of a local character; it could not exist if it depended on the circulation and business of Southwark; its notes, if issued, must extend into the general circulation. As a local institution, it is impossible to assign a single public reason for wishing its existence; it would be highly impolitic and unjust, therefore, in the Legislature to add another item to the list of our bank taxes, in the shape of another charter; it would be much better, as before stated, to give a regular stipend to the proposed president, cashier, and stockholders.

The granting of charters is a legislative power that has been most freely exercised by the law-makers of the United States, and is likely to be the source of so much evil, that the power ought to be restrained or regulated by strict constitutional provisions. The ingenuity of lawyers has discovered, and the authority of judges has decreed, that a charter is in the nature of a contract; thus charters are placed under the shield of the federal constitution, which forbids any act impairing the obligations of contract. This doctrine gives to charters the most sacred character, and makes it the more necessary that legislators should be extremely well satisfied that it is really to benefit the public before they pass laws granting charter to any. If the doctrine is correct that a charter is a contract, and that once granted it cannot be annulled, it is not prudent to allow the

charter granting power to remain unprovided for by the constitution, for it exposes the rights of the people, and is at variance with the principles of the revolution and government of the United States; it places in the hands of a Congress, or a state assembly, the power to bind ourselves and posterity in all time to come. Such a state of things, such power in the hands of any body of men, is at variance with common sense, and the principles of our revolution.

In the next place, it is a fundamental principle in the federal constitution, and of that of Pennsylvania also, that no privileged order shall be created. The chartering of banks is creating a highly privileged order; it gives the privilege of issuing paper-money, and secures the privileged persons from being responsible in their individual character; it saves their property from liability to pay their banking debts, while at the same time, all persons must pay the debts they owe to the bank.

It has been already stated that the banking system in the United States has caused the loss of both the old and new customers for our grain, and is now putting our cotton trade at hazard also. So great has been the effect of the depreciation of money, that even ourselves have been buying from foreigners not only the luxuries, but the necessities of life; and for the past eight years our country has exhibited an extent and frequency of bankruptcy that has not perhaps a parallel in the history of any nation, in the absence of the great calamities of war, pestilence, and famine. All this calamity has been experienced in our private



affairs during a period of profound peace and extraordinary plenty; it is one of the circumstances that will characterize the epoch of Mr. Monroe's eight years of presidency.

Whether the very general calamity here alluded to could have been averted or mitigated by skillful legislation, giving a direction to public affairs and general industry, better to suit them to a period of general peace, is not the subject of present investigation. Our paper system has been a departure from first principles, and it is with nations as with individuals; one departure from truth requires a number of expedients to bear us out, and make the evil as little as possible.

Instead of extending the paper system, it is the interest of Pennsylvania to get entirely rid of it by a gradual and uniform process; the prosperity of this state should rest on a solid basis—on her own productions; her soil and minerals are resources which, if judiciously brought into action, would place Pennsylvania amongst the first in the Union, and her citizens the happiest; and they would be less liable to be affected by the fluctuations of trade or the turmoils of states, than any member of the confederacy. But these resources will, to a great extent, lie useless in the earth under any system that gives to labour and produce a high money price, and a high money price will exist so long as we indulge companies of our own citizens, or permit those of other states to circulate amongst us paper for money. In the absence of fictitious money, we would put a moderate price on every thing; and our state would be full

of buyers; capitalists would come from all quarters to lay out their money in Pennsylvania; and active business would be extended to all classes, and to every part of the state.

The prosperity of Pennsylvania would be greatly promoted by adopting a sound system of limited partnership, clearly defining their duties and privileges; such a system would concentrate the scattered means of various persons, and bring into action a capital sufficient for all our purposes, without creating any privileged orders, for it would be open to all our citizens, and in accordance with the spirit of our constitution, whereas chartered companies is in opposition to it.

If the practice of chartering companies is continued, this whole Union will be so entangled in them, that it is impossible to calculate the mischief we shall do ourselves and entail on posterity. How far limited partnership will have the effect of keeping in check the charter interest, is worthy of consideration; as things now appear, those chartered bodies will soon have a common interest too powerful for the good and happiness of this Union. This is wrong. Fifty men have no more right to be protected from paying their debts than one man, yet this is the consequence of a charter; for, if any of the manufacturing companies, established on a charter granted by Massachusetts, should unfortunately bankrupt, the members of the company are not liable for the company's debts, whilst if a private individual fails he has to surrender all his property, and is still liable for any unpaid balance. The plan of li-

limited partnership, therefore, is the best arrangement for giving to society the benefits of capital in support of industry without creating privileged orders. The French have bestowed great attention on the subject of limited partnership. In times past the French have been eclipsed by the English. We now see that the system of the former is steadily gaining on that of Britain. The financial circumstances of the French nation are at this time more prosperous than those of England. The paper system of England has commenced its reaction, and if that country was now to be involved in war, her financial resources would be extremely embarrassed.

It was the paper system that enabled the British government to avail itself of the vast resources that were created by those extraordinary men, Watt, Arkwright, Bridgewater, Wedgewood, &c. Without the paper system Britain could not have spent the millions she has done—without her manufactures and industry the paper system could never have been carried to the extent it has been. And in proportion as other nations increase their industry, Britain, to maintain her importance and meet these rivals, will find it necessary to diminish the paper currency, which will be followed by a reduction of the prices of what she has to export, and by this means sustain her manufacturing and commercial resources, which form the foundation of her power.

From these views of this important subject, and the light our own dear-bought experience has thrown upon it, there is just reason to conclude the paper-money

system is hostile to the prosperity of a government like ours, and injurious to the happiness of the people; and at a time when it is most desirable to diminish the evil, the people have a right to expect the Legislature will reject all applications that may be made for bank charters.

The mode in which some banks conduct their business, if not dishonourable, is certainly mean. The issuing of one, two, three, and four dollar notes, does not look well. Were a merchant of respectable standing to grant his notes for such trifling sums, it would soon ruin his credit; he would be suspected of bankruptcy in circumstances or principle, perhaps in both; but setting aside the motives of banks for issuing such notes, the practice itself is a nuisance; the public sustain both inconvenience and loss from it; and it is the duty of the Legislature to apply the proper remedy; if they do not, it cannot be from want of power; we must presume it is from an indifference to the subject.

One year has elapsed since the annexed letter was submitted to the members of our Legislature. The experience of that year has only made us better acquainted with the justness of the views it takes of our society, and the growing necessity there is for Pennsylvania being protected from the pernicious consequences that will result to her prosperity from the flood of paper-money that will be issued from the banks that have been created by the Legislature of New Jersey, and those that are contemplated by the state of New York.

These observations on paper-



money may be incorrect; if they are so, it is hoped their errors will be made manifest to the Legislature, before they tax the people for the benefit of bank stockholders, presidents, cashiers, directors, &c., in the first instance, and for the advantage of brokers, speculators, and sheriffs, in the next.

*Philadelphia,  
Jan. 25, 1825.*

*To the Members of the Legislature  
of Pennsylvania.*

GENTLEMEN,—You have been chosen by the people as guardians of their public affairs. With these public affairs the private prosperity of individuals is intimately connected. That your legislation shall be skilful is therefore a matter of deep concern to the present generation; and its influence, whether good or bad, will extend itself to their posterity. These considerations impose on you, in the strongest manner, the duty of carefully inquiring what will be the present and future consequence of every vote and act you individually and collectively give and perform.

Among the interesting subjects that come before you during the present Session, it is most probable that of greatest importance to public prosperity and private happiness, is the renewing of old, or granting new charters, that authorize companies, or any portion of citizens, to make paper-money, or carry on banking.

It is not the purpose of this address to investigate the influence and effects of the paper system, as it regards governments founded on principles different from ours. The policy of a government con-

ducted for the benefit of the governors, must greatly differ from that which is carried on to promote the happiness of the governed. When corruption requires the absolute presence of gold or silver, its application in many important cases is impossible: whereas the agency of paper renders it easy and safe. A consequence is produced by a banker's bill that would have required the labour of many wagons. It affords the means of corrupting and subsidizing without limits. It affords an opportunity for great numbers to live in luxury and idleness on the industry of others. It is an agent that greatly contributes to produce some very rich, and a great number of very poor people. It is not favourable to that state of things that increases the class of citizens who are not very rich on the one hand, or poor on the other; but on whom the freedom and happiness of society mainly depend. Permit me to mention, that the introduction of a paper system has rarely, if ever, failed to introduce extravagant habits, immorality, a sort of gambling in business, called speculation, which turns men's habits from productive industry to endless contrivances for living on the industry of others. Its intoxicating influence has fascinated, bewildered, and destroyed, not only plain men, but good legislation. Within your own experience, you must have known many traders who have lost their substance, many farmers who have lost their land, in consequence of a currency so fluctuating as paper. When it is let out on society in plenty, things grow dear: when caprice or necessity calls it in,



things become cheap ; and those who contracted debts in the first instance are oftentimes ruined when they have to pay under the latter circumstance.

One of its most unfavourable effects on the happiness of the great mass of society, is by increasing the money price of every thing. It makes our country a good market for foreigners to sell their goods in, but a bad one for foreigners buying our productions ; and this is the worst condition in which a nation can be placed for the happiness of her citizens ; it takes away the demand for their labour, which is the source of the nation's wealth, and the support of every man, woman, and child in the community.

Were it not for the effects of the paper system, as it has been conducted in the United States, all kinds of our agricultural produce would be in demand for foreign markets ; for here these products could be furnished lower than at any other place. Our manufactures, instead of requiring protection from our national councils, to enable them to compete with foreigners in our own market, would be encouraged by foreigners, because they would be cheaper here than elsewhere.—And the reason is obvious. If the fictitious price caused by paper-money was removed, such is the extent and fertility of our soil—the abundance of ores, timber, &c.—so favourable is our climate—and, above all, so great the energy of your fellow citizens, owing to the nature and form of our government, that we should be able to contend with all the world. The effects of this fictitious value given to our agricul-

tural products has brought Polish wheat, manufactured and put up in barrels after the fashion of America, into the port of London. It has induced the Europeans to get cotton in Asia, and it has nourished the cultivation of cotton in Brazil, where it is now raised in quantity and of a quality that, at no very distant day, will produce effects on the cotton production of the United States that must be seriously felt, if not soon provided against.

The paper system has long been the bane of American happiness. It is a contrivance that ought not to be resorted to except in periods of great national necessity, and relinquished with the necessity that gave it being. Paper-money is to a nation what opium or ardent spirits are to an individual—useful as medicine, but debilitating as common nutriment. There is proof of this in the Bank Act of your predecessors, in 1814 ; instead of increasing trade, merchants were ruined ; instead of giving the farmer a market, it lost him his land—the sheriffs took all. It is industry that supports banks ; it is not banks that support industry. And for all the industry of Pennsylvania a single bank would be sufficient.

You therefore have a great responsibility upon you ; and if the acts of this or any future Session of the Legislature continue the system alluded to, these acts will assuredly be followed with the same consequences : people may not die, but the great body of your constituents will languish.

It is fortunate for the community that you have the means of correcting the effects of the un-

skilful legislation of your predecessors by a mild remedy, and to bring to a termination this system with the least possible trouble to society.

The remedy submitted to you is simply—in all the charters you may think proper to renew, introduce the following conditions:—

1st. Such banks to pay their notes in specie on demand; a refusal to involve a dissolution of the charter.

2d. No bank, whose charter is so renewed, to issue any note, from the date of such renewal, of less value than \$5; and after the first of January, 1825, any of less value than \$10; after the first of January, 1826, to issue no note of less value than \$15; after the first of January, 1827, to issue no note of less value than \$20.

And, to put an end to the circulation of notes under the denominations above specified, let an act be passed, making the punishment for forging or passing any note of less value than the banks are permitted to issue, twenty-four hours imprisonment.

With respect to the law proposed to put an end to the circulation of small notes, and to preserve a wholesome specie currency, it is founded on justice and required by policy. The making of money is one of the sovereign prerogatives of the na-

tion; it is a thing that only can exist in a regulated society; it belongs solely to the public, and no individual, no association of citizens, can claim a right to it: and those who have practised the making of paper-money, have done so under a tacit indulgence, or charter boon, both having their foundation in the opinion, that they were for the public good. Your own observation of the effects of the unqualified circulation of fictitious money among us must have satisfied you it is injurious to the happiness of a majority of your constituents, and that it is now time the evil was corrected. Some efforts have been made by your predecessors to prevent the circulation of small notes issued by persons residing out of the state; but their measures were ineffectual; yours will not be so; for, by withdrawing from these small notes the support of the jail or the gibbet, they cannot exist.

In placing before you this view of the effects of paper-money on human happiness, and proposing gradually to bring back a specie currency with its wholesome consequences, and putting a stop to the circulation of low paper-money, the sole object is to promote the prosperity of the state and happiness of the citizens.

*Philadelphia, Jan. 19, 1824.*

## MARKETS.

Average Prices of CORN throughout ENGLAND, for the week ending June 4.

Per Quarter.

|           | s. | d. |           | s. | d. |
|-----------|----|----|-----------|----|----|
| Wheat ..  | 67 | 8  | Oats .... | 24 | 8  |
| Rye ....  | 38 | 10 | Beans ... | 37 | 9  |
| Barley .. | 35 | 6  | Peas .... | 36 | 11 |

Corn Exchange, Mark Lane.

Quantities and Prices of British Corn, &c. sold and delivered in this Market, during the week ended Saturday, June 4.

|           | Qrs.   | £.         | s.     | d. |             | s.   | d.   |
|-----------|--------|------------|--------|----|-------------|------|------|
| Wheat ..  | 7,130  | for 25,301 | 9      | 5  | Average, 70 | 11   |      |
| Barley..  | 1,709  | ....       | 3,050  | 0  | 10          | .... | 35 8 |
| Oats..    | 18,426 | ..         | 24,626 | 10 | 5           | .... | 26 8 |
| Rye ....  | 45     | ....       | 76     | 11 | 6           | .... | 34 0 |
| Beans ..  | 1,166  | ....       | 2,229  | 2  | 2           | .... | 38 2 |
| Peas .... | 239    | ....       | 456    | 1  | 5           | .... | 38 1 |

Friday, June 10.—There are moderate arrivals this week of Grain in general, but of Oats the supply is abundant. The rejection of the Canada and Bonded Corn Bill, by the House of Lords, has given our Millers more confidence in purchasing, and Wheat sold to-day at rather higher prices. Barley, Beans, and Pease, all sell well, at last quotations. Oats meet buyers at about the same prices as last quoted.

Monday, June 13.—The arrivals of most descriptions of Grain last week were not large, but of Oats, both English and Irish, the quantity was considerable. This morning there are moderate supplies of Wheat, Barley, Beans, and Pease

from Essex and Kent, and very little Corn fresh up from all other places. Prime Wheat is scarce, and maintains the terms of this day se'nnight; but the weather being remarkably fine, occasions a dull trade for all other descriptions, and such are rather lower than last Monday.

Barley for Malting is 1s. per quarter lower, and for Grinding it is 1s. per quarter higher. Beans do not sell so freely as last week. Pease are unaltered. Oats that are sweet find sale readily at last quotations, but all other descriptions are very dull and cheaper. Fresh Flour is in demand at last week's prices.

Price on board Ship as under.

|                       |             |
|-----------------------|-------------|
| Flour, per sack ..... | 60s. — 65s. |
| — Seconds .....       | 56s. — 60s. |
| — North Country ..    | 52s. — 55s. |

Account of Wheat, &c. arrived in the Port of London, from June 6 to June 11, both inclusive.

|            | Qrs.   |             | Qrs. |
|------------|--------|-------------|------|
| Wheat ..   | 5,353  | Tares ....  | —    |
| Barley ..  | 685    | Linseed ..  | —    |
| Malt ....  | 4,281  | Rapeseed .. | —    |
| Oats ....  | 23,110 | Brank ..    | 113  |
| Beans ...  | 1,371  | Mustard ..  | —    |
| Flour .... | 7,438  | Flax ....   | —    |
| Rye ....   | —      | Hemp ...    | —    |
| Peas ..... | 156    | Seeds ...   | 12   |

Foreign. — Wheat, 560; Oats, 310 qrs.; Flour, 350 barrels.

Total Quantity of Corn returned as Sold in the Maritime Districts, for the Week ended June 4.

|           | Qrs.   |           | Qrs.   |
|-----------|--------|-----------|--------|
| Wheat ..  | 39,214 | Oats ...  | 31,353 |
| Rye ....  | 396    | Beans ... | 3,364  |
| Barley .. | 7,396  | Peas .... | 307    |



Price of Hops per Cwt. in the  
Borough.

Monday, June 13.—The accounts this day from Kent and Sussex are worse; the late few days of warm weather has much increased the vermin, and on the strong grounds the Bines are growing fast, but the shoots are immediately covered with lice; the attack is much more serious and general than in 1823; without we have rain the Bines will, in two or three weeks, turn black, and bring the blight to an earlier issue. Duty 50,000*l.* to 55,000*l.*, market firm.

Maidstone, June 11. — Since our last report the weather has changed, and for these few days we have experienced a dry scorching sun, being according to general opinion the only kind of season the Hop Plantations wanted, and although we cannot yet conclude much about the effect, as there are different statements of the fly, &c. still we shall say that the Bines are growing fast, look of a better colour, and we think the prospect much improved in their favour.

Worcester, June 8.—In our plantation, during the last two or three days, there has been an increase of flies, and the cold nights have checked the plants. Though no material injury has been yet sustained in our plantation, prices continue to rise in consequence of the unfavourable accounts from Kent and Sussex. On Saturday 355 pockets (chiefly old) were weighed; old olds advanced from 8*s.* to 10*s.* per cwt. Some 1824's were bought at 8*l.* 10*s.*, but fine samples are worth much more.

Monday, June 13.—The arrivals from Ireland last week were 265 firkins of butter, and 753 bales of Bacon; and from Foreign Ports 4,982 casks of Butter.

City, June 15, 1825.

BACON.

Prices have advanced considerably since the hot weather set in. On Board: 55*s.* to 56*s.*—Landed: 59*s.* to 60*s.*

BUTTER.

There is now a very abundant supply of *Foreign*; for the inferior kinds of which, there is not much demand. Best Dutch, 94*s.* to 96*s.*

CHEESE.

The supplies being not great, prices are kept up.—Cheshire, 70*s.* to 84*s.* Double Gloucester, 66*s.* to 76*s.* Derby, 66*s.* to 74*s.*

SMITHFIELD, Monday, June 13.

Per Stone of 3 pounds (alive).

|                  | s.    | d. | s.              | d.     |
|------------------|-------|----|-----------------|--------|
| Beef . . . . .   | 4     | 0  | to 5            | 0      |
| Mutton . . . . . | 4     | 0  | — 4             | 8      |
| Veal . . . . .   | 5     | 0  | — 6             | 0      |
| Pork . . . . .   | 5     | 0  | — 6             | 0      |
| Lamb . . . . .   | 5     | 3  | — 6             | 4      |
| Beasts . . . . . | 2,545 |    | Sheep . . . . . | 18,510 |
| Calves . . . . . | 250   |    | Pigs . . . . .  | 140    |

NEWGATE, (same day.)

Per Stone of 3 pounds (dead).

|                  | s. | d. | s.   | d. |
|------------------|----|----|------|----|
| Beef . . . . .   | 3  | 4  | to 4 | 4  |
| Mutton . . . . . | 4  | 0  | — 5  | 0  |
| Veal . . . . .   | 4  | 0  | — 6  | 0  |
| Pork . . . . .   | 4  | 0  | — 6  | 0  |
| Lamb . . . . .   | 4  | 4  | — 6  | 4  |

LEADENHALL, (same day.)

Per Stone of 3 pounds (dead):

|                  | s. | d. | s.   | d. |
|------------------|----|----|------|----|
| Beef . . . . .   | 3  | 4  | to 4 | 4  |
| Mutton . . . . . | 3  | 8  | — 4  | 8  |
| Veal . . . . .   | 3  | 8  | — 5  | 4  |
| Pork . . . . .   | 4  | 0  | — 5  | 4  |
| Lamb . . . . .   | 5  | 0  | — 6  | 0  |

Price of Bread.—The price of the 4lb. Loaf is stated at 10½d. by the full-priced Bakers.

### POTATOES.

SPITALFIELDS.—per Cwt.

|                |   |    |    |   |    |
|----------------|---|----|----|---|----|
| Ware.....      | 0 | 18 | to | 1 | 4  |
| Middlings..... | 0 | 8  | —  | 0 | 10 |
| Chats.....     | 0 | 3  | —  | 0 | 5  |
| Common Red..   | 0 | 4  | —  | 0 | 0  |

BOROUGH.—per Ton.

|                |     |    |    |     |    |
|----------------|-----|----|----|-----|----|
| Ware.....      | £ 2 | 10 | to | £ 4 | 10 |
| Middlings..... | 1   | 15 | —  | 2   | 0  |
| Chats.....     | 1   | 10 | —  | 0   | 0  |
| Common Red..   | 0   | 0  | —  | 0   | 0  |

### HAY and STRAW, per Load.

|                      |      |    |       |
|----------------------|------|----|-------|
| Smithfield.—Hay....  | 63s. | to | 90s.  |
| Straw...             | 36s. | to | 48s.  |
| Clover..             | 84s. | to | 115s. |
| St. James's.—Hay.... | 60s. | to | 95s.  |
| Straw...             | 36s. | to | 51s.  |
| Clover..             | 80s. | to | 105s. |
| Whitechapel.—Hay.... | 65s. | to | 90s.  |
| Straw...             | 42s. | to | 48s.  |
| Clover..             | 80s. | to | 112s. |

### COAL MARKET, June 10.

*Ships at Market. Ships sold. Price.*

|                  |     |          |    |          |
|------------------|-----|----------|----|----------|
| 48½ Newcastle..  | 27½ | 29s. 0d. | to | 37s. 0d. |
| 13½ Sunderland.. | 11½ | 30s. 0d. | —  | 38s. 0d. |

### COUNTRY CORN MARKETS.

By the QUARTER, excepting where otherwise named; from Wednesday to Saturday last, inclusive.

*The Scotch Markets are the Returns of the Week before.*

|                   | Wheat. |    |       | Barley. |    |       | Oats. |    |       | Beans. |    |       | Pease. |    |       |
|-------------------|--------|----|-------|---------|----|-------|-------|----|-------|--------|----|-------|--------|----|-------|
|                   | s.     | to | s. d. | s.      | to | s. d. | s.    | to | s. d. | s.     | to | s. d. | s.     | to | s. d. |
| Aylesbury .....   | 68     | 76 | 0     | 38      | 42 | 0     | 28    | 30 | 0     | 38     | 45 | 0     | 43     | 45 | 0     |
| Banbury .....     | 0      | 0  | 0     | 0       | 0  | 0     | 0     | 0  | 0     | 0      | 0  | 0     | 0      | 0  | 0     |
| Basingstoke ....  | 64     | 76 | 0     | 0       | 0  | 0     | 24    | 30 | 0     | 40     | 46 | 0     | 0      | 0  | 0     |
| Bridport.....     | 56     | 72 | 0     | 34      | 55 | 0     | 24    | 0  | 0     | 48     | 0  | 0     | 0      | 0  | 0     |
| Chelmsford.....   | 66     | 78 | 0     | 30      | 36 | 0     | 24    | 32 | 0     | 34     | 39 | 0     | 35     | 38 | 0     |
| Derby.....        | 70     | 78 | 0     | 36      | 44 | 0     | 25    | 30 | 0     | 42     | 52 | 0     | 0      | 0  | 0     |
| Devizes.....      | 60     | 76 | 0     | 31      | 34 | 6     | 22    | 32 | 0     | 40     | 56 | 0     | 0      | 0  | 0     |
| Dorchester.....   | 52     | 72 | 0     | 30      | 38 | 0     | 25    | 30 | 0     | 42     | 53 | 0     | 0      | 0  | 0     |
| Exeter.....       | 70     | 76 | 0     | 36      | 42 | 0     | 24    | 36 | 0     | 0      | 0  | 0     | 0      | 0  | 0     |
| Eye .....         | 61     | 70 | 0     | 30      | 36 | 0     | 24    | 30 | 0     | 34     | 36 | 0     | 32     | 36 | 0     |
| Guildford.....    | 62     | 86 | 0     | 35      | 43 | 0     | 25    | 32 | 0     | 38     | 48 | 0     | 39     | 43 | 0     |
| Henley.....       | 70     | 83 | 0     | 40      | 0  | 0     | 22    | 30 | 0     | 42     | 50 | 0     | 42     | 45 | 0     |
| Horncastle.....   | 60     | 66 | 0     | 36      | 38 | 0     | 20    | 24 | 0     | 40     | 0  | 0     | 0      | 0  | 0     |
| Hungerford.....   | 66     | 80 | 0     | 32      | 42 | 0     | 23    | 31 | 0     | 40     | 56 | 0     | 0      | 0  | 0     |
| Lewes.....        | 58     | 76 | 0     | 0       | 0  | 0     | 24    | 26 | 0     | 0      | 0  | 0     | 0      | 0  | 0     |
| Newbury.....      | 55     | 81 | 0     | 32      | 40 | 0     | 20    | 31 | 0     | 38     | 48 | 0     | 38     | 0  | 0     |
| Newcastle.....    | 55     | 69 | 0     | 22      | 40 | 0     | 20    | 28 | 0     | 36     | 40 | 0     | 36     | 54 | 0     |
| Northampton....   | 62     | 70 | 0     | 40      | 44 | 0     | 22    | 27 | 0     | 38     | 42 | 0     | 0      | 0  | 0     |
| Nottingham ....   | 66     | 0  | 0     | 43      | 0  | 0     | 25    | 0  | 0     | 47     | 0  | 0     | 0      | 0  | 0     |
| Reading.....      | 62     | 87 | 0     | 35      | 40 | 0     | 21    | 33 | 0     | 43     | 47 | 0     | 42     | 47 | 0     |
| Stamford.....     | 64     | 71 | 0     | 32      | 40 | 0     | 20    | 31 | 0     | 39     | 42 | 6     | 0      | 0  | 0     |
| Stowmarket ....   | 60     | 70 | 0     | 27      | 35 | 0     | 22    | 30 | 0     | 32     | 36 | 0     | 32     | 34 | 0     |
| Swansea.....      | 75     | 0  | 0     | 43      | 0  | 0     | 24    | 0  | 0     | 0      | 0  | 0     | 0      | 0  | 0     |
| Truro.....        | 76     | 0  | 0     | 42      | 0  | 0     | 29    | 0  | 0     | 0      | 0  | 0     | 0      | 0  | 0     |
| Uxbridge.....     | 64     | 88 | 0     | 33      | 40 | 0     | 25    | 32 | 0     | 40     | 44 | 0     | 42     | 44 | 0     |
| Warminster.....   | 53     | 71 | 0     | 28      | 44 | 0     | 26    | 32 | 0     | 32     | 50 | 0     | 0      | 0  | 0     |
| Winchester.....   | 0      | 0  | 0     | 0       | 0  | 0     | 0     | 0  | 0     | 0      | 0  | 0     | 0      | 0  | 0     |
| Dalkeith* .....   | 32     | 37 | 6     | 28      | 34 | 0     | 19    | 22 | 6     | 19     | 21 | 0     | 18     | 20 | 0     |
| Had ington* ..... | 29     | 37 | 0     | 26      | 33 | 0     | 17    | 22 | 6     | 17     | 21 | 6     | 17     | 21 | 0     |

\* Dalkeith and Haddington are given by the *boll*.—The Scotch *boll* for Wheat, Rye, Pease, and Beans, is three per cent. more than 4 bushels. The *boll* of Barley and Oats, is about 6 bushels Winchester, or as 6 to 8 compared with the English *quarter*.

*Liverpool*, June 7.—Since Tuesday last there has been an improved demand for Wheats, at an advance of about 2d. per 70lbs.; and although the arrivals of Oats have been considerable, they were also in better demand at the prices of this day se'nnight. The market of this day having been sparingly attended by dealers, the demand for Wheats was more limited, at the above noted advance.

Imported into Liverpool, from the 31st May to the 6th June, 1825, inclusive:—Wheat, 8,354; Barley, 1,703; Oats, 21,591; Malt, 2,149; Beans, 585; and Pease, 1,082 quarters. Flour, 3,483 sacks, per 280 lbs. Oatmeal, 2,274 packs, per 240 lbs. American Flour, 130 barrels.

*Norwich*, June 11.—We had a good supply of Wheat to-day, and sales brisk at higher prices for the best sorts. Red, 58s. to 71s., White, 73s.; but few samples of Barley here—Stained, 29s. to 32s.; Malting, of fine quality, 35s.; Oats, 24s. to 29s.; Beans, 34s. to 37s. per qr.; and Flour, 52s. to 55s. per sack.

*Bristol*, June 11.—Very little alteration in the prices of Corn, &c. since last quotations. Sales exceedingly dull, at the prices then mentioned.

*Ipswich*, June 11.—Our market to-day was very thinly supplied with all Grain, and prices were much the same as last week, as follow:—Wheat, 65s. to 74s.; Barley, 31s. to 38s.; Beans, 36s. to 39s. and Oats, 22s. to 28s. per qr.

*Wisbech*, June 11.—The supply of Wheat at market to-day was considerable for the season, and prices fully supported last week's quotations. Beans, 1s. dearer. Oats much the same.—Averages: Wheat, 1,115, 3l. 6s. 2d.; Oats, 1,631, 1l. 1s. 11d.; Beans, 260, 1l. 19s. 6d.

*Boston*, June 8.—There has been more life in the Wheat trade this week, and an advance of 1s. to 2s. per quarter has been given for the finest and fresh samples: to-day the supply is not great, and the buyers being anxious, the advance, as above, is fully supported. Oats also have more buyers, and the best descriptions command rather more money; the supply falls off, as is usual at this season. Beans fresh from the straw are much sought after, but those threshed in the winter are not hard, and have few buyers. No Rye here.—Wheat, 55s. to 70s.; Oats, 18s. to 27s.; Beans, 38s. to 43s.; Barley, 33s. to 40s. per qr.

*Wakefield*, June 10.—The arrivals of Wheat and Beans are rather large, but of other descriptions they are only moderate. More money was demanded for Wheat at the early part of the market, which the millers would not accede to, and the sales made cannot be noted higher than on this day se'nnight. Very little doing in other articles, and prices without variation.

*Hull*, June 10.—The supply of Wheat was rather scanty on Tuesday, and there was evidently a disposition to purchase on the terms of this day week; but the holders demanded an advance, and the sales in consequence were limited. Beans, Barley, and Oats came sparingly to market, and fully supported prices. No Rapeseed at market.

*Lynn*, June 9.—We had a good supply of Wheat at market on Tuesday, which experienced ready sale, and the finest samples were taken off by our Millers at from 69s. to 70s. per qr. Malting Barley was little in demand, and other qualities without alteration. Beans and Oats command the under-noted quotations. Flour was the same.—Wheat, 56s. to 70s.; Barley, 30s. to 40s.; Oats, 20s. to 28s.; Rye, 36s. to 38s.; Peas, grey, 34s. to 37s.; Beans, 36s. to 38s. per qr. Fine Flour, 56s. per sack.

*Yarmouth*, June 9.—Our market on Saturday was brisk for Wheat, at an advance of 2s. per quarter. Stained Barleys were also in demand, at full as good prices. Oats, Pease and Beans, were each 2s. per quarter dearer. Yesterday, Grain of all descriptions was full 1s. to 2s. per quarter dearer than on Saturday.



## COUNTRY CATTLE AND MEAT MARKETS, &amp;c.

*Norwich Castle Meadow*, June 11.—The quantity of Fat Cattle to-day was short, and only a few of them of good quality, but in consequence of the prices obtained the last two weeks in Smithfield, the sale was good, and the prices from 7s. to 8s. 6d. per stone of 14 lbs. We had a very large supply of Store Cattle, of very fine sorts—Scots were not many of them sold; prices from 4s. 6d. to 5s. 6d. per stone, when fat. Short Horns in great numbers and of good quality, but many of them remained unsold, those sold, at 3s. to 4s. 6d.; a few Devons, and a lot of Welch, from 3s. to 4s. Sheep, a very large supply. Hoggetts cheaper, and not half of them disposed of, prices from 32s. to 40s.; fat ones to 48s., in their wool. Lambs excessively dear, prices from 20s. to 28s., and at a Sale near Norwich yesterday, Lambs sold at 30s. 6d. each. Meat: Beef, 6½d. to 8d.; Veal, 6d. to 8d.; Mutton, 6d. to 7½d.; and Pork, 6d. to 7d. per lb.

*Horncastle*, June 11.—Beef, 8s. to 8s. 6d. per stone of 14 lbs.; Mutton, 8d.; Lamb, 10d.; Pork, 7d. to 7½d.; and Veal, 8d. to 9d. per lb.

*Manchester*, June 8.—On sale 2018 Sheep, at 7d. to 8d. per lb. sinking the offal; 285 Cattle, at 6½d. to 8d.; 84 Pigs; 368 Lambs, at 8d. to 9d.; 2 Calves, at 7d. to 7½d.—Total 2419.

At *Morpeth Market*, on Wednesday, there was a good supply of Cattle, Sheep, and Lambs: there being a great demand, they met with ready sale, at last week's prices.—Beef, from 7s. 3d. to 7s. 9d.; Mutton, 8s. 3d. to 9s.; Lamb, 8s. 6d. to 9s. 4d. per stone, sinking offal.

## AVERAGE PRICE OF CORN, sold in the Maritime Counties of England and Wales, for the Week ended June 4, 1825.

|                 | Wheat. |    | Barley. |    | Oats. |    |
|-----------------|--------|----|---------|----|-------|----|
|                 | s.     | d. | s.      | d. | s.    | d. |
| London*         | 69     | 7  | 35      | 4  | 26    | 11 |
| Essex           | 70     | 10 | 32      | 0  | 26    | 9  |
| Kent            | 67     | 9  | 38      | 4  | 27    | 0  |
| Sussex          | 69     | 2  | 39      | 0  | 24    | 11 |
| Suffolk         | 68     | 9  | 23      | 2  | 26    | 0  |
| Cambridgeshire  | 66     | 10 | 32      | 0  | 20    | 8  |
| Norfolk         | 66     | 9  | 32      | 5  | 23    | 8  |
| Lincolnshire    | 66     | 2  | 40      | 6  | 21    | 9  |
| Yorkshire       | 64     | 2  | 39      | 0  | 22    | 5  |
| Durham          | 64     | 6  | 41      | 0  | 26    | 8  |
| Northumberland  | 62     | 10 | 37      | 4  | 24    | 4  |
| Cumberland      | 70     | 3  | 36      | 9  | 24    | 9  |
| Westmoreland    | 73     | 3  | 36      | 0  | 25    | 0  |
| Lancashire      | 68     | 8  | 0       | 0  | 25    | 0  |
| Cheshire        | 70     | 0  | 0       | 0  | 26    | 10 |
| Gloucestershire | 71     | 2  | 43      | 0  | 29    | 6  |
| Somersetshire   | 69     | 10 | 39      | 1  | 24    | 5  |
| Monmouthshire   | 69     | 8  | 42      | 9  | 26    | 0  |
| Devonshire      | 70     | 8  | 40      | 8  | 25    | 6  |
| Cornwall        | 71     | 5  | 39      | 8  | 26    | 4  |
| Dorsetshire     | 69     | 0  | 37      | 4  | 26    | 10 |
| Hampshire       | 69     | 2  | 36      | 9  | 25    | 4  |
| North Wales     | 67     | 10 | 41      | 3  | 22    | 3  |
| South Wales     | 64     | 8  | 38      | 5  | 19    | 8  |

\* The London Average is always that of the Week preceding.